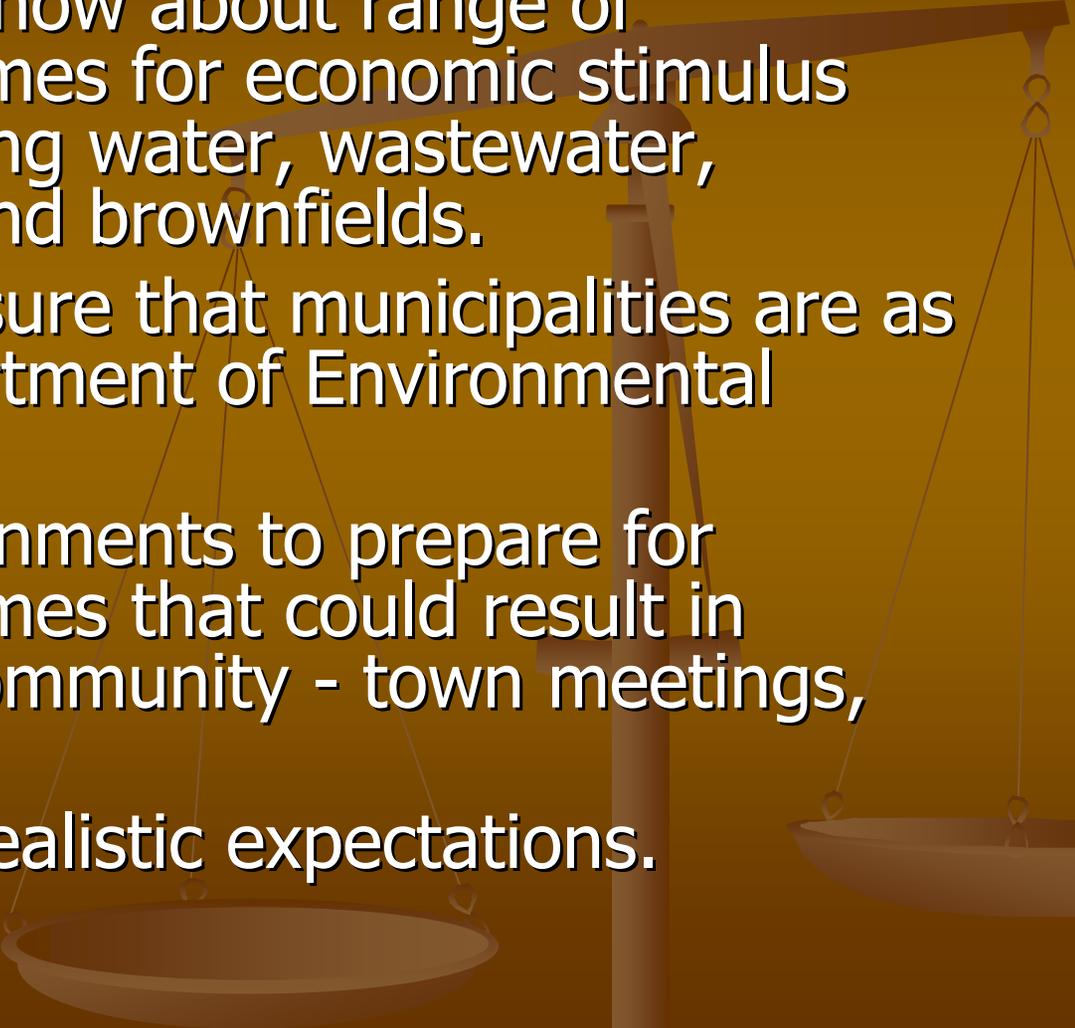


DES Presentation on Economic Stimulus Package for Environmental / Water Infrastructure

Presented by
Harry T. Stewart, P.E.
Director, DES Water Division
January 9, 2009

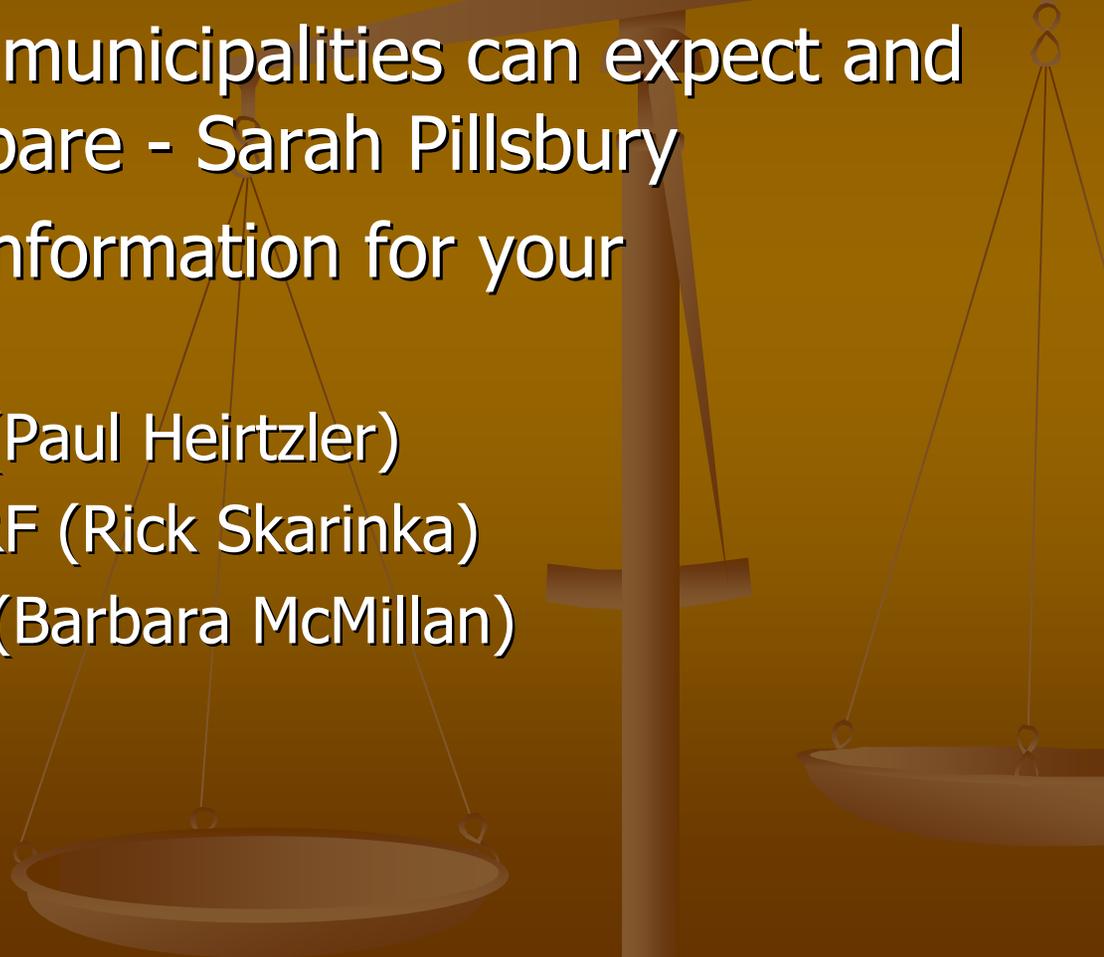


MEETING PURPOSE

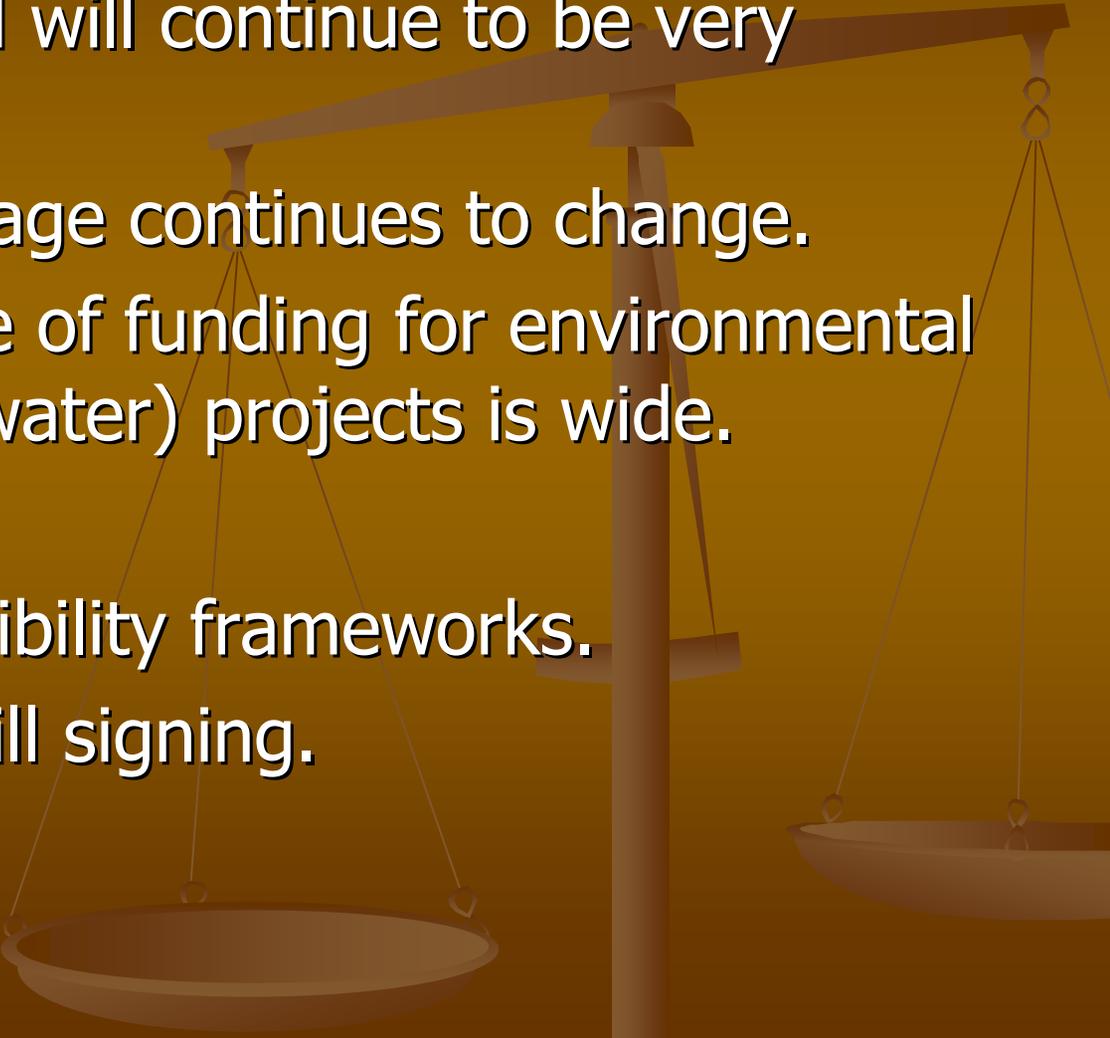
- Explain what we know about range of ***POSSIBLE*** outcomes for economic stimulus package for drinking water, wastewater, nonpoint source and brownfields.
 - Proactively make sure that municipalities are as informed as Department of Environmental Services.
 - Enable local governments to prepare for ***POSSIBLE*** outcomes that could result in projects in your community - town meetings, etc.
 - Preparation with realistic expectations.
- 

AGENDA

Environmental Economic Stimulus

- Introduction and “what we know” - Harry Stewart
 - Overview of what municipalities can expect and need to do to prepare - Sarah Pillsbury
 - Program specific information for your consideration:
 - Clean Water SRF (Paul Heirtzler)
 - Drinking Water SRF (Rick Skarinka)
 - Non-point source (Barbara McMillan)
 - Brownfields
- 

What We Know (1)

- The process is and will continue to be very dynamic.
 - The stimulus package continues to change.
 - The possible range of funding for environmental (water and wastewater) projects is wide.
 - No earmarks.
 - No changes in eligibility frameworks.
 - Expect February bill signing.
- 

What we know (2)

ACTUAL OR POTENTIAL BILLS/PROPOSALS

- HR 7110 passed the House in September resides in the Senate.
- Congressman Oberstar & staff developed a more detailed (& different) proposal in December 2008.
- President-elect Obama's overview proposal was presented yesterday (the details are still being developed).

H.R.7110

Job Creation and Unemployment Relief Act of 2008 Prime Sponsor: Congressman Obey, Wis.

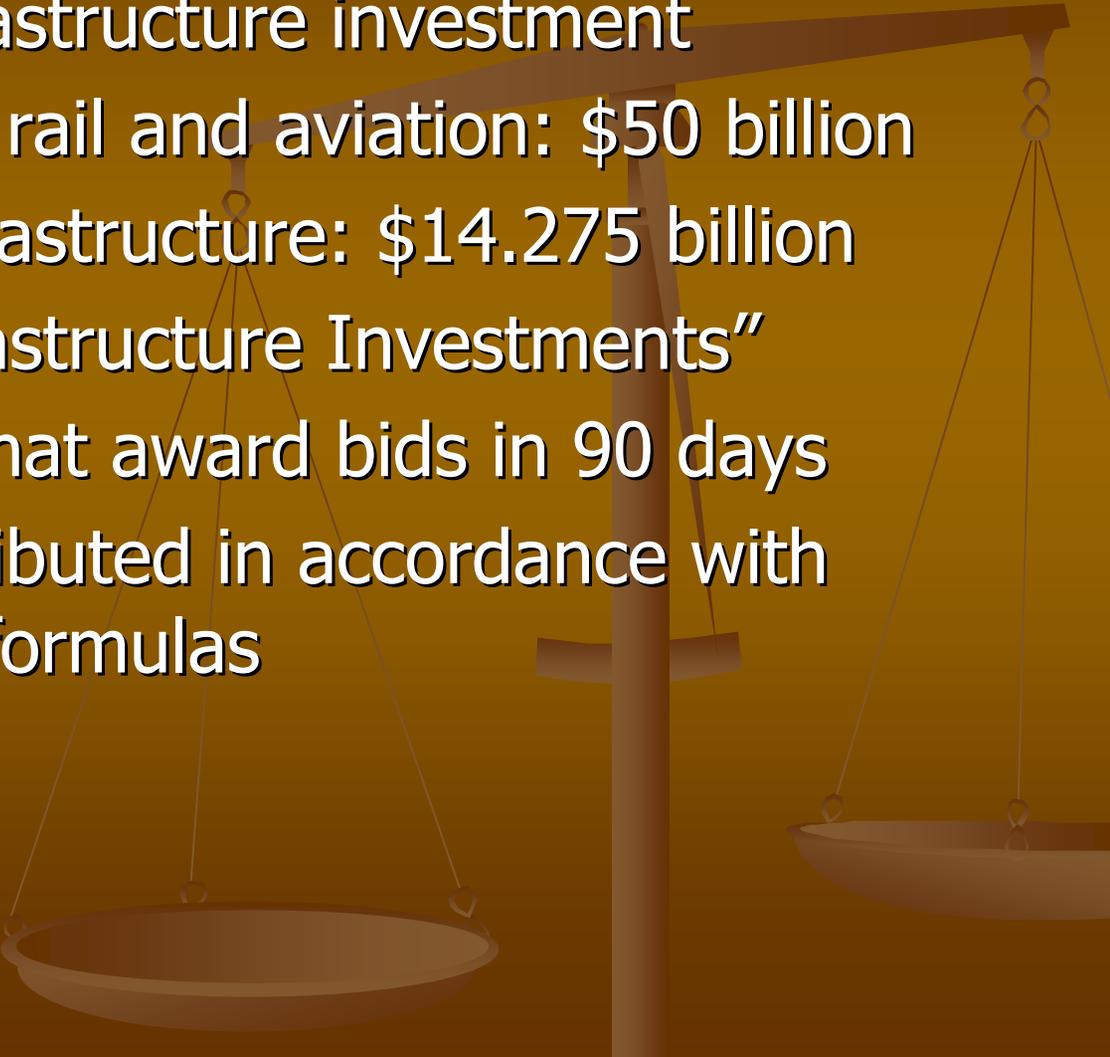
Passed House (9/08) and failed by 9 votes in Senate in Fall 2008:

- \$6.5 B nationally CWSRF loans (NH: \$65 million +/-)
- 1.0 B nationally DWSRF loans (\$10-12 million +/-)
- Straight SRF loans: no principal forgiveness or grants
- States would have 120 days to distribute money- USE IT OR LOSE IT
- No nonpoint source ("319") funds (in contrast with "Oberstar" concept)
- No "brownfields" funds (in contrast with "Oberstar")

Congressman Oberstar's Proposal

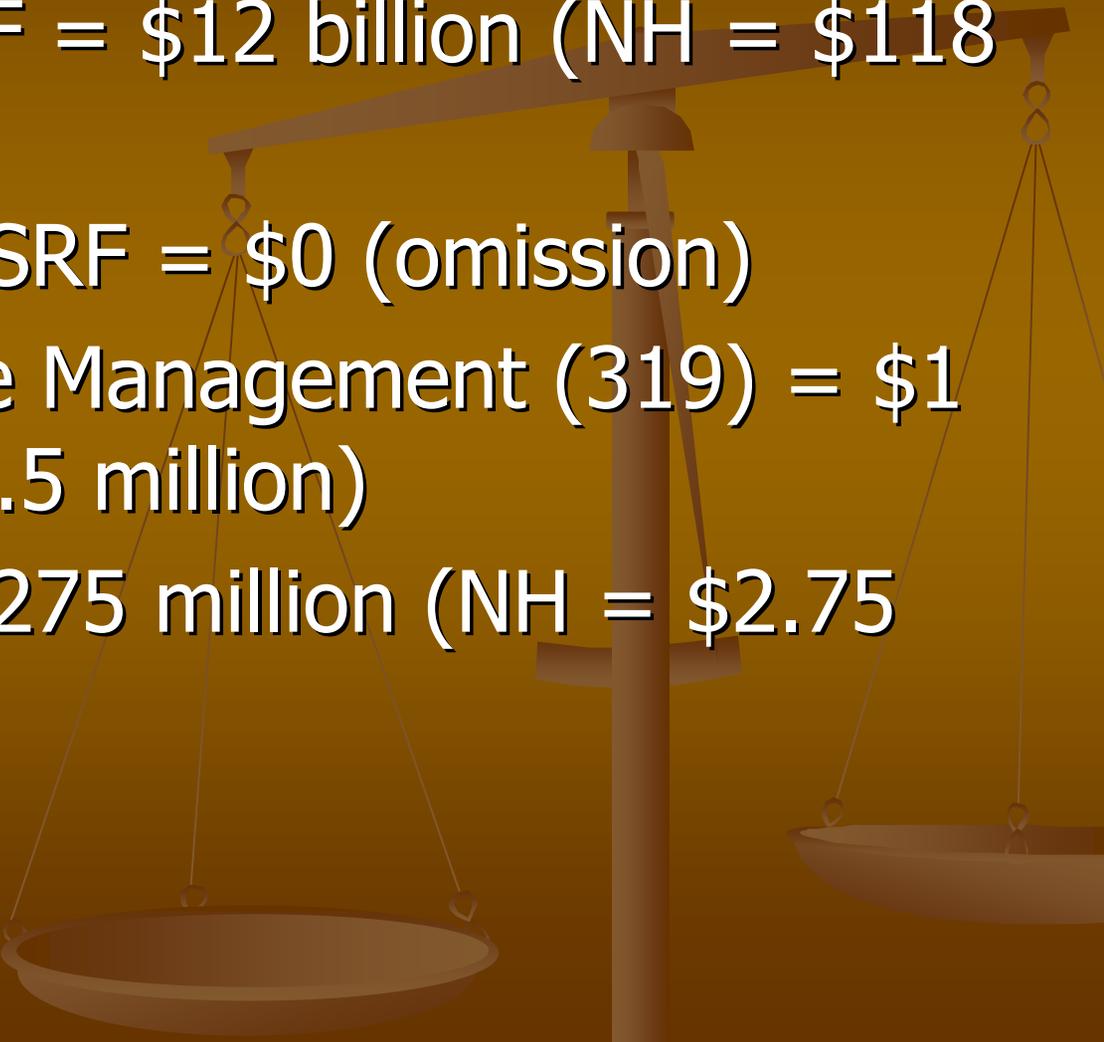
"A Proposal to Rebuild America"

(12/12/08)

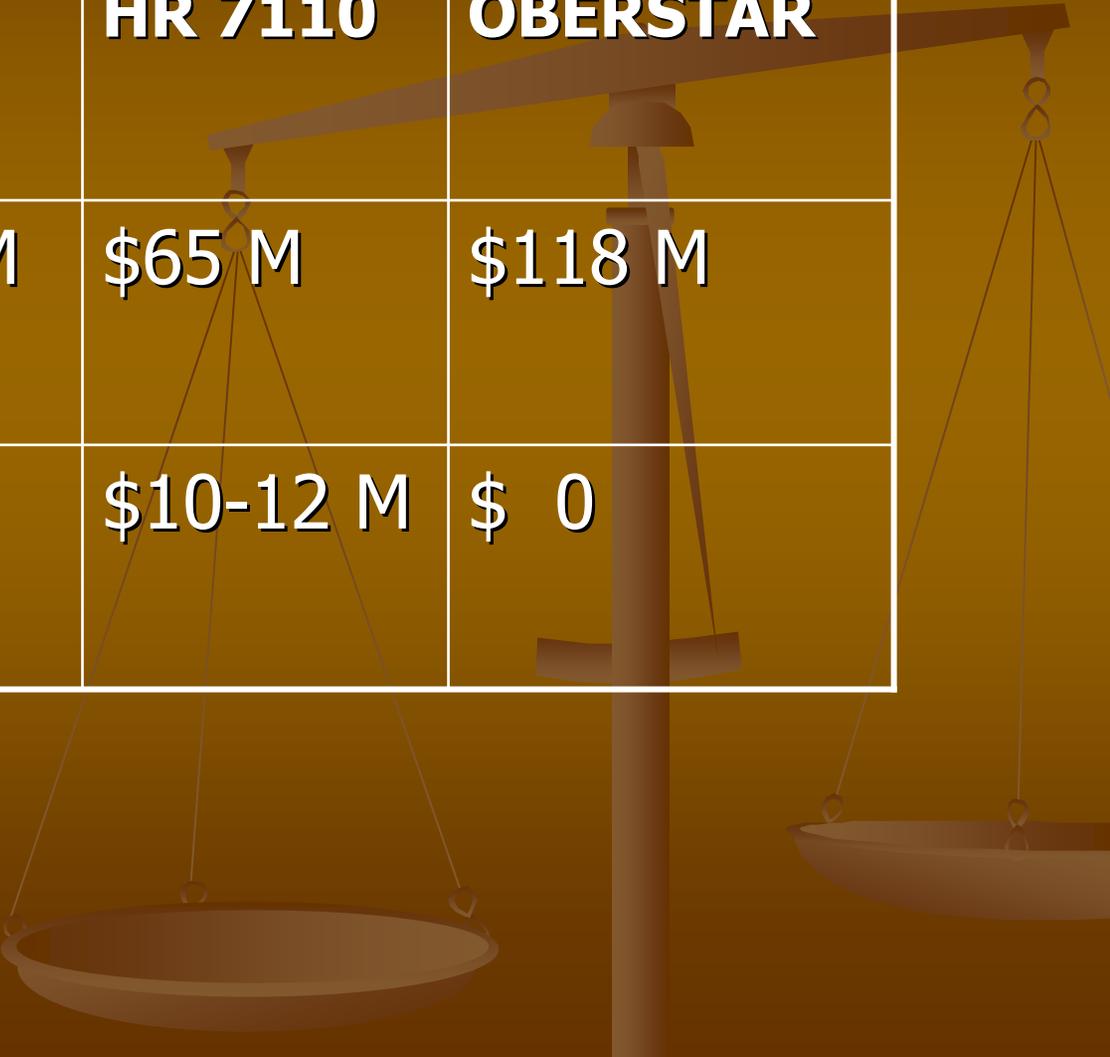
- \$85 billion for infrastructure investment
 - Highways, transit, rail and aviation: \$50 billion
 - Environmental infrastructure: \$14.275 billion
 - "Ready to Go Infrastructure Investments"
 - Priority: Projects that award bids in 90 days
 - Funds will be distributed in accordance with federal allocation formulas
- 

“Oberstar” 12/12/08

Proposal to Rebuild America Environmental Infrastructure

- Clean Water SRF = \$12 billion (NH = \$118 m)
 - Drinking Water SRF = \$0 (omission)
 - Nonpoint Source Management (319) = \$1 billion (NH = \$7.5 million)
 - Brownfields = \$275 million (NH = \$2.75 m)
- 

NH Allocation- Comparison



PROGRAM	Typical	HR 7110	OBERSTAR
CWSRF	\$6-12 M	\$65 M	\$118 M
DWSRF	\$ 8 M	\$10-12 M	\$ 0

Oberstar Proposal (12/12/08)

How the Clean Water SRF Might Work

- *“most wastewater utilities have small capital-related projects on the shelf that could be carried out quickly such as pumps, compressors, bar screens, trucks, security measures, and polishing pond expansions”*
- Distribution:
 - 40% for additional “subsidizations or grants” to communities with populations of less than 50,000 to increase affordability to medium-sized and smaller communities
 - 45% straight SRF loans
 - 15% for “green technologies” either through subsidizations, grants or other mechanisms to “encourage investment in environmentally sensitive, and energy and water efficient plans or components”

Oberstar Proposal (12/12/08)

How the Clean Water SRF Piece Might Work

“Shovel Ready Deadlines” where DES must:

- Award 25% of funds to communities w/in 90 days of receipt of allocation
- 50% within one year
- 100% within two years
- Note: HR 7110 gives states 120 days to distribute to shovel-ready projects, then turn the money back

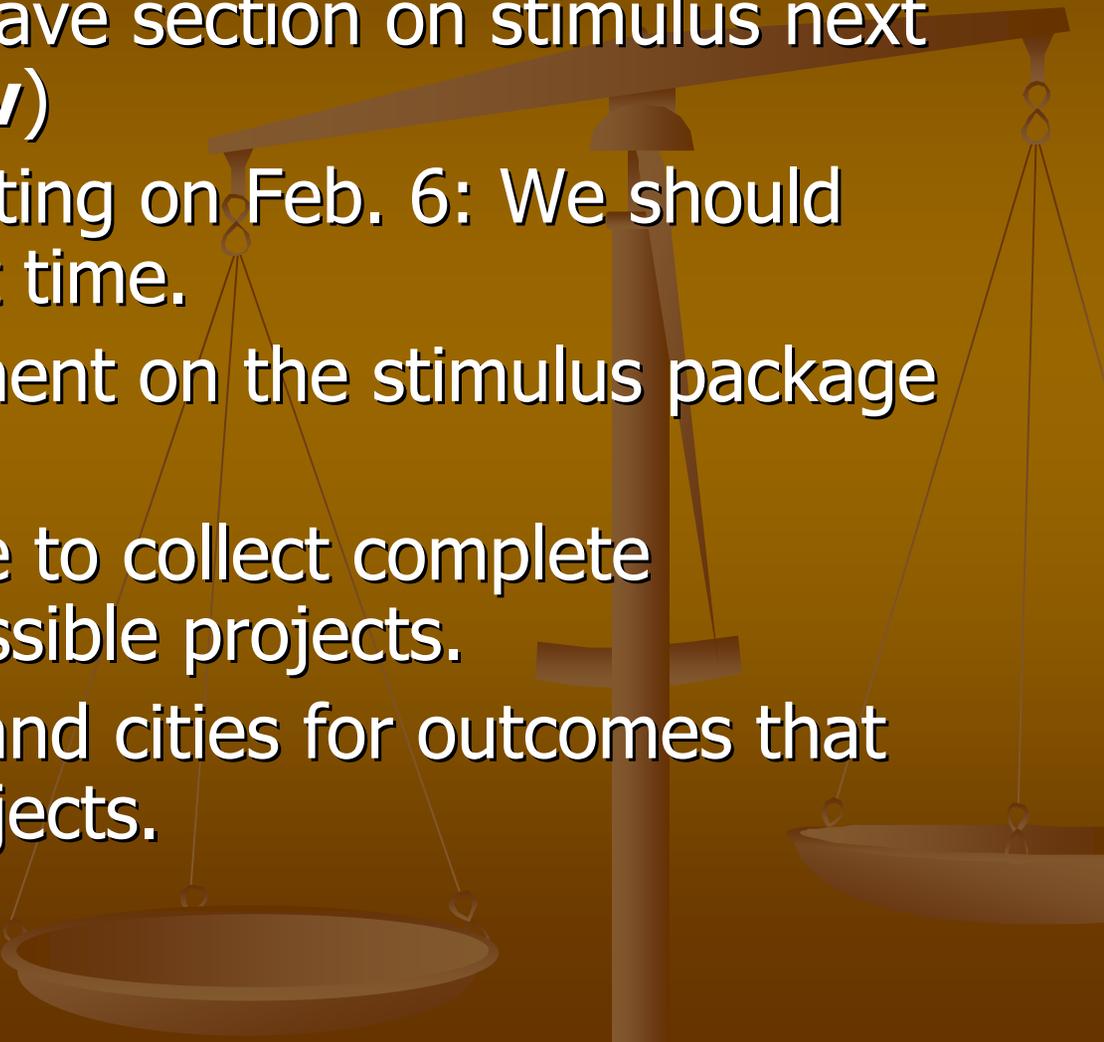
National Association of Clean Water Agencies (NACWA)

- Asking for \$12 billion for clean water projects
- Seeking grants (or principal subsidy) for “ready to go” wastewater projects- up to 100%
- Other NACWA talking points:
 - Every \$1 generates \$3-\$7 in economy.
 - Construction industry job loss has been 437,000 & 10.8% of const. workers are unemployed nationally
 - Generate jobs in a green industry.
 - Supports set-asides in state grants for green infrastructure projects and those that optimize water conservation.
 - Make all ready to go wastewater projects eligible.

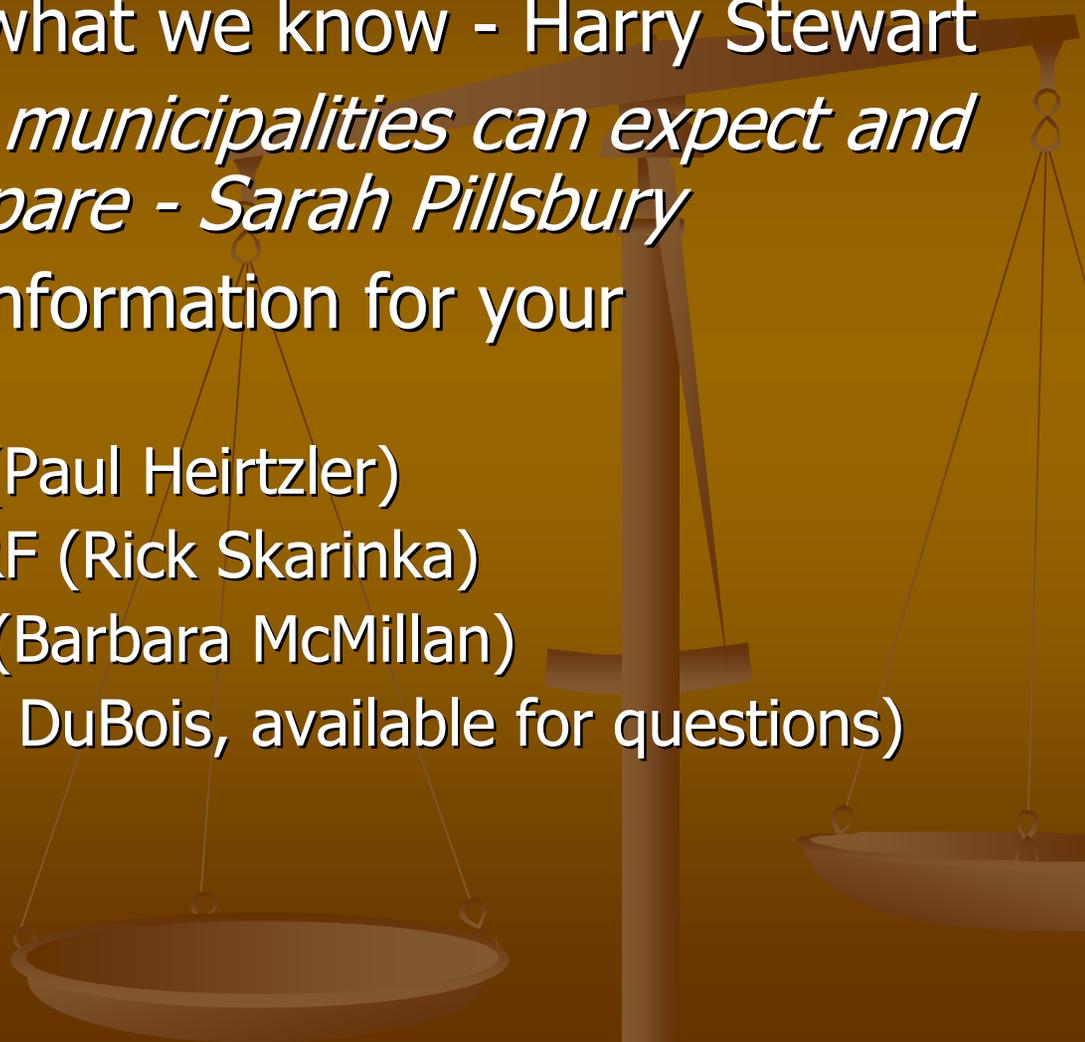


DES views the ability to enable principal forgiveness of at least 75% as key to the success of any CWSRF stimulus for municipalities to gain local approval for projects.

WHAT'S NEXT?

- DES website will have section on stimulus next week (**des.nh.gov**)
 - Prescheduled meeting on Feb. 6: We should know more at that time.
 - Monitor and comment on the stimulus package as it evolves.
 - Develop procedure to collect complete information on possible projects.
 - Prepare in towns and cities for outcomes that could result in projects.
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 - Drinking Water SRF (Rick Skarinka)
 - Non-point source (Barbara McMillan)
 - Brownfields (Keith DuBois, available for questions)
 - Questions?
- 

E-Mail

- If we did not contact you by e-mail and you want us to in the future ... Send an e-mail to chip.mackey@des.nh.gov

